

6 Jan 84  
NSPG Notes  
FinalCentral America Intelligence Briefing

In Central America we have seen some positive political trends recently but these have to be viewed as fragile. In Salvador, for example, a new constitution has been ratified, the agrarian reform extended, and the campaign for the Presidential election in March is under way. On the other hand, these developments have intensified ideological differences in the country and this could generate additional violence as the campaign heats up. In Nicaragua, the Sandinistas have relaxed press censorship and offered limited amnesties to Miskito Indians and insurgents. These actions are temporary and easily reversed and apparently designed to promote negotiations and minimize the chances for stronger US action in Nicaragua. The Nicaraguans have told the Salvadoran guerrilla leaders that they have until 31 January to leave and we have seen since that they are trying to establish headquarters in Mexico. [redacted] these steps as "prudent tactical maneuvers" and we know that command and control and supply continues to be provided the Salvadoran guerrillas from Nicaragua. So the reality on the ground remains unchanged.

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During the summer, the Cubans expressed a willingness to reduce their military personnel in Nicaragua but have been quiet and noncommittal recently. Some teachers have been brought back to Cuba on rotation but as we spelled out in the recent Intelligence Assessment, Cuba has more than 70 operational transport aircraft with the range to reach Central America. Of these, 30 are small planes which can carry 30 men or 5 tons of supplies to short, unimproved runways in Nicaragua. We have seen as they move new personnel into Nicaraguan units that we have no way of detecting reinforcements from Cuba.

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Your action in Grenada has clearly led both the Nicaraguans and Cubans to be a great deal more cautious and to seek negotiations. It has also encouraged the Hondurans, Guatemalans, Salvadorans and Costa Ricans as they prepare for the next Contadora negotiating session beginning in Panama this weekend. Yet these small countries are increasingly concerned that recent peace initiatives by the Contadora sponsoring nations and haste to get an agreement could force them into a defensive posture and damage their security interests. A positive development is that the new President of Venezuela seems to be supportive of our policy and determined to protect the security interests of the small Central American nations.

On the military front, the guerrillas in El Salvador have succeeded in arming and training a large number of what were formerly part-time guerrillas to bring their effective combat strength to between 9,000 and 11,000 armed men. This gives the Salvadoran military a manpower force ratio of less than 4:1 over the guerrillas. This is not enough to win. The Salvadoran army has launched a major offensive to recover territory held by the guerrillas and reduce the insurgent threat prior to the elections in late March. We see the guerrillas preparing for another all-out effort to disrupt the election by exploiting their recently demonstrated ability to take on and defeat isolated small government battallions. We can also expect the guerrillas to step up urban attacks and sabotage in the cities both to demonstrate their strength and discredit the elections.  indicate their concern about Nicaragua's signalling of some reduction in support. This concern has led to efforts to conserve ammunition. Still, in a showdown we have to expect that Cuba will provide adequate supplies for an election

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offensive. The Sandinistas have clearly been put under heavy pressure by the insurgency as:

-- The fragile Nicaraguan economy has been hurt by the anti-Sandinista insurgents, and the military costs of the fighting continue to increase.

-- The Sandinistas claim they suffered over 600 civilian and military deaths and sustained \$100 million in economic damage in fighting the resistance during 1983 alone.

-- The Sandinistas probably doubt they can defeat the insurgents as long as insurgent forces get US support and have a secure base in Honduras.

In Guatemala, the military retains the tactical advantage and has returned to a high level of aggressive patrolling after a lull in operations following the coup last summer.

-- The Mejia government plans to expand troop strength by some 3,000 men, which will help the Army offset mobility problems caused by a shortage of helicopters.

-- The Army has purchased equipment which will increase its firepower and improve communications as well as strengthening the civilian defense forces.

Meanwhile, the insurgents are stepping up urban terrorism to demonstrate their continuing viability, and they have planned a rural offensive for January.

-- They have already attacked the Honduran and Salvadoran embassies,

they also have targeted the US Embassy.

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-- They may score some isolated successes with ambush operations in the countryside, but they are unlikely to make major advances against the military.

As in El Salvador, the insurgents' ultimate objective probably is to disrupt and discredit the scheduled July 1984 Constituent Assembly elections.

-- The Cubans are still supplying weapons and training to the Guatemalan guerrillas and are urging the orthodox Communist Party, which has remained outside the insurgent alliance, to join the struggle.

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Next 1 Page(s) In Document Denied